

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office

April 14, 1999 LB 299, 539

ASSISTANT CLERK: 26 ayes, 0 nays on the advancement of the bill, Madam President.

SENATOR SCHIMEK: The bill advances and we go to LB 539. Mr. Clerk.

ASSISTANT CLERK: LB 539 was introduced by Senator Bohlke. (Read title.) The bill was read for the first time on January 19, referred to Revenue Committee. That committee reports the bill to General File with committee amendments. (AM0427, Legislative Journal on page 658.)

SENATOR SCHIMEK: Senator Bohlke, you're recognized to open on your bill.

SENATOR BOHLKE: Thank you, Madam President and members. LB 539 is reaction to a number of businesses in the state who I've heard us say that we really need to concentrate on doing what we can for some of the smaller businesses. The issue was brought to me that currently we have a situation where our small businesses may contract with a company to do the payroll, to do the...to pool the health insurance, and to do some other functions that I'll explain in a moment. But what that does is it causes those employees to then be termed leased employees. Because of that, it prevents them from qualifying for any of the incentives that larger companies qualify for. This, I think, is not the type of situation we want to promote in Nebraska, as I've heard many of us say, trying to do what we can for some of our smaller businesses. I have a letter from one businessowner that I think really clarifies the situation and explains their concern. He says, we constructed a new building and we have invested heavily in our business to start a full-line vending business, both in equipment and people. We have been growing rapidly with the addition of our full-line vending business and the statistics show that we have grown from approximately 30 employees to 60 employees. So you can see this is not a particularly large business. This also stretched our ability to deal with employment, health insurance, employment benefit issues, and we turned to Strategic Staff Management in Omaha. In effect, Strategic Staff Management and this company, Pepsi-Cola Bottling of Hastings, are co-employers. Strategic